

IVB

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No. MAR 12 1981

Date.....

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ICC Washington, D. C.

Leonard Amsterdam
Senior Vice President
496-4163

12979

MAR 12 1981 - 2 40 PM
INTERSTATE COMMERCE COMMISSION

RECEIVED
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I.C.C.
FEE OPERATION BR.

March 11, 1981

Secretary of the Interstate
Commerce Commission
Washington, D.C. 20423

Enclosed is an original Security Agreement and two certified copies thereof for recording with the Interstate Commerce Commission and a check payable to the Interstate Commerce Commission in the amount of \$50.00 to cover your recording fee.

The parties to the transaction are as follows: the principal debtor is Robert L. Starer, the co-owner of the railcar with said Robert L. Starer, his wife, Merle Starer, both of whom reside at 5701 Private Dr., Lahaska, Pennsylvania, and the secured party, Industrial Valley Bank and Trust Co., whose address is 1700 Market Street, Philadelphia, Penna.

The equipment covered by the document is one private railcar known and described as No. 90 "The Philadelphia Star", including the present contents as set forth in the inventory annexed to the Security Agreement and all attachments thereto, accessories, substitutions, additions, replacements, parts and accessories affixed to said railcar.

Please return the original Security Agreement to the bearer.

Very truly yours,

Leonard Amsterdam
Senior Vice President

LA/ch
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Leonard Amsterdam
Industrial Valley Bank & Trust Co
IVB Building
Philadelphia, Pennsylvania 19103

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/12/81 at 12:40PM, and assigned recordation number(s). 12979

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

12979

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, made the 18th day of February 1981 between ROBERT L. STARER and MERLE STARER, his wife, residing at 5701 Private Drive, in Lahaska, the County of Bucks and State of Pennsylvania, said Robert L. Starer being the Debtor, said Merle Starer being joint owner with Robert L. Starer of the collateral, and both parties being herein referred to as the "Starers".

And INDUSTRIAL VALLEY BANK & TRUST COMPANY located at 1700 Market Street, in the City of Philadelphia in the County of Philadelphia and State of Pennsylvania herein referred to as the "Secured Party":

WITNESSETH, THAT THE Starers hereby grant to Secured Party a security interest in the collateral described in Schedule A herein to secure payment of an indebtedness in the sum of (\$37,500.00) Thirty-Seven Thousand Five Hundred Dollars and No Cents which is, payable in the following manner:

Five Hundred Dollars and No Cents (\$500.00) each month beginning thirty (30) days after the date of this instrument such amounts to be first applied to 9% interest on the outstanding principal and the balance applied to reduction of principal and so on continuing monthly until paid in full; provided that the right of prepayment at the discounted present value exists as set forth in an agreement made January 19, 1981.

1. USE OF COLLATERAL. Starers represent that the collateral will be used.

- (x) a. In business.
- (x) b. For personal, family or household purposes.
- () c. In farming operations.

a. GOODS USED IN MORE THAN ONE STATE: If the collateral is goods of a type which is normally used in more than one state, the chief place of business, if other than the Starers' address set forth above, is 103 Geiger Road, Philadelphia, Pa.

2. Starers warrant and covenant that:

2.1 INSURANCE. It is agreed that the parties may each carry such insurance to protect their own interests as they desire.

2.2 REMOVAL. The Starers may use and/or move the collateral without limitation provided they advise the Secured Party of its location and in any event prior to movement outside the State of Pennsylvania.

2.3 PERFECTION OF SECURITY INTEREST. Starers will join with the Secured Party in executing, filing and doing whatever may be necessary under applicable law, to perfect, continue and terminate Secured Party's security interest in collateral, at Secured Party's expense.

2.4 EXTENSION AND RELEASES. The Starers consent to any extension of time of payment.

2.5 SELL, ETC. Starers are the owners of the collateral and will not sell, exchange or otherwise dispose of the collateral except as permitted by the Consent Judgment entered in the Superior Court of New Jersey Law Division, Camden County Docket Number L- 15397-77 wherein Robert L. Starer, Merle Starer and Val-Air, Inc. are the plaintiffs and Industrial Valley Bank & Trust Company and Apple Storage Company are the defendants. Starers have the right to lease said collateral subject to the terms and conditions of this agreement.

2.6 INSPECTION. Owners will permit Secured Party to inspect the collateral at any reasonable time, except when occupied.

2.7. PRESERVATION. Owners will maintain the collateral in good condition and repair and preserve it against loss, damage or depreciation in value other than by reasonable wear.

3. GENERAL

3.1 NON-WAIVER BY SECURED PARTY. Failure of the Secured Party to insist upon strict performance of any of the warranties and covenants of this agreement or to exercise any option herein conferred in any one or more instances shall not be construed as a waiver or relinquishment for the future of any such warranties, covenants or options, but the same shall be and remain in full force and effect.

3.2 NOTICES. All notices to either party shall be by mail or telegraph addressed to such party at the address set forth herein or previously changed in writing or by personal service upon such party or its proper officer. Reasonable notice, when notice is required, shall be not less than 30 days.

3.3 SEVERABILITY. Any part of this agreement contrary to the laws of this State or any State having jurisdiction shall not invalidate other parts of this agreement.

3.4 LAW GOVERNING. All the terms herein and the rights duties and remedies of the parties shall be governed by the Uniform Commercial Code, (N.J.S. 12A).

4. DEFAULT. Debtor shall be considered to be in default under this agreement only upon the passage of 30 days after notice of the occurrence of any of the following, during which time the Starers shall have the unrestricted right to cure any alleged default.

4.1 NONPAYMENT OF PRINCIPAL AND INTEREST. Failure to pay any installment thereof or interest on the debt within 15 days after the due date.

4.2 BREACH OF AGREEMENT BY STARERS. Failure by the Starers to keep, observe or perform any provision of this agreement.

5. ACCELERATION. The unpaid balance of the principal sum due and interest thereon shall immediately become due and payable at the election of Secured Party in the event of any of the following:

5.1. DEFAULT. As defined herein.

5.2 MISREPRESENTATION. Misrepresentation in this agreement made or furnished by Debtor to Secured Party.

5.3 INSOLVENCY OR TERMINATION. Insolvency or death of Debtor or commencement of any insolvency proceedings by or against Debtor.

5.4 INSECURITY. Depreciation or impairment of the value of the collateral.

6. REMEDIES ON DEFAULT. In addition to all the rights and remedies herein for default, Secured Party shall have such other rights and remedies as contained in the Uniform Commercial Code.

6.1 ASSEMBLING COLLATERAL. Upon any default and upon demand, Debtor agrees to immediately assemble the collateral and make it available to Secured Party at the place and at the time designated in the said demand.

6.2 COUNSEL FEES AND LEGAL EXPENSES. Upon any uncurred default Secured Party may charge Robert L. Starer such reasonable counsel fees not in excess of 15%, legal expenses and other charges incurred by Secured Party in taking and selling the collateral, rendering the surplus if any, according to the Uniform Commercial Code.

7. In the event of an uncured default Secured Party shall give the Starer's thirty (30) days written notice of any intention to proceed with public sale.

8. In any event, disposition of the collateral by the Secured Party shall be by public sale with notice to Starers at which sale the Starers or their nominee shall be entitled to bid.

9. In case of any sale or disposition of the collateral Merle Starer shall be paid one-half of the proceeds after deduction of actual fees, expenses and charges as set forth in paragraph 6.2.

10. Failure of Starers to maintain the collateral in accordance with paragraph 2.7 shall not expose either Debtor or Merle Starer as owner to any claims for monetary damages but said failure will constitute a default as specified in paragraph 5.4.

11. Notwithstanding the references herein to Merle Starer, she is not indebted to the Secured Party for any sum, but has joined in this agreement solely to assure the granting of an effective security interest in the collateral to Secured Party.

12. All the terms, covenants and conditions herein contained shall be for and shall inure to the benefit of and shall bind the respective parties hereto, and their legal representatives, successors and assigns, respectively.

13. In all references herein to any parties, persons, entities or corporations the use of any particular gender or the plural or singular number is intended to include, the appropriate gender or number as the text of the within instrument may require.

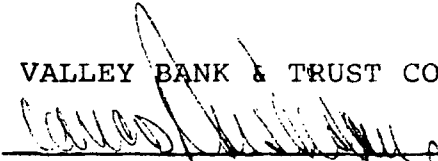
IN WITNESS WHEREOF, the Starer's and Secured Party have here unto set their hands and seals or caused these presents to be signed by their proper corporate officers and caused their proper corporate seal to be hereto affixed, the day and year first above mentioned.


ROBERT L. STARER

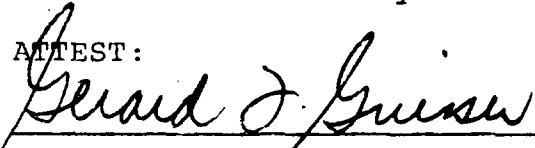

MERLE STARER

INDUSTRIAL VALLEY BANK & TRUST COMPANY

By:


Sr Vice Pres.

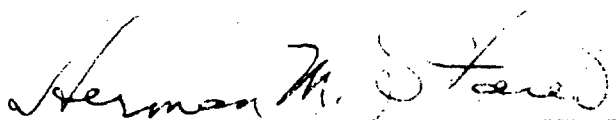
ATTEST:


Gerald J. Guisen

STATE OF Pennsylvania SS.

COUNTY OF Philadelphia

On this 10th day of March, 1981, before me, the subscriber, Robert L. Starer and Merle Starer personally appeared ROBERT L. STARER and MERLE STARER, who I am satisfied are the Starer's in the within Security Agreement and who executed the foregoing instrument, and I having made known to them the contents thereof, they did duly acknowledge to me that they executed and signed, sealed and delivered the same as their voluntary act and deed for the uses and purposes therein expressed


Herman M. Starer

HERMAN M. STARER
Notary Public, Phila., Phila. Co
My Commission Expires Nov. 24, 1984

STATE OF Pennsylvania SS.
COUNTY OF Philadelphia

On this 11th day of March, 1981,
before me, the subscriber, Notary Public,
personally appeared Leonard Amsterdam who, I am
satisfied represents the Secured Party in the within Security
Agreement and who executed the foregoing instrument, and I
having made known to him the contents thereof, he did duly
acknowledge to me that he had executed and signed, sealed
and delivered the same as his voluntary act and deed for the
uses and purposes therein expressed.

Maryann Tillio
NOTARY PUBLIC OF THE STATE OF
Pennsylvania
MARYANN TILLIO
Notary Public, Phila., Phila. Co.
My Commission Expires July 9, 1984

SCHEDULE A
DESCRIPTION AND LOCATION OF COLLATERAL

The following is a schedule of the items constituting
the collateral referred to in this security agreement.

Private Rail Car known and described as No. 90, the
"Philadelphia Star", including the present contents as set forth
on March 5, 1981 inventory annexed hereto, and all attachments
thereto, accessories, substitutions, additions, replacements,
parts and accessories affixed to said rail car.

CERTIFICATE OF NOTARY PUBLIC

I have compared this copy of Security Agreement with
the original Security Agreement and it and the annexed inventory
is a true and correct copy in all respects.

Margaret F. Geiser
MARGARET F. GEISER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 22, 1985

March 5, 1981 Inventory of Contents - Rail Car 90 - "Philadelphia Star"

LOUNGE

1 sofa - yellow	1 Terryphone
1 upholstered chair - red	1 Stainless steel step #90
3 ashtray stands	
1 ashtray - gold - owl configuration	
1 built in corner table @ lamp and telephone	
1 T.V. cabinet @ RCA television plus radio and tape	
1 oil painting @ gold frame approximately 3' x 4'	
"Olvera Street" signed by Jack Laycox	

SHOWER

1 brown bath towel
1 brown hand towel
2 brown face towels
All towels monogramed "Car 90"

STATEROOM #3

1 single bed @ red bed cover	1 Terryphone
1 oil painting - gray frame - approximately 18" x 4'	
Built in closet containing various office supplies and one green blanket	
1 telephone "Car 90"	

STATEROOM #2

1 single bed - gold bed cover	1 telephone "Car 90"
Adjoining shower room @ one blue hand and face towels monogramed "Car 90"	1 Terryphone

STATEROOM #1

1 single bed @ blue bed cover
1 built in closet containing:

several towels
approximately twenty bed sheets
two yellow towels
two red face towels
one pillow
one pair ski coveralls - blue

DINING ROOM

1 oval table @ pads
8 chairs, blue covering @ individual decorative covers

Built in cabinet containing:

one small silver tray @ glass top
two glass bowls
five small ceramic bowls

DINING ROOM (CONTINUED)

approximately 24 napkins - brown
approximately 24 napkins - blue
approximately 25 place mats - blue

BEDROOM - UNFINISHED

1 single bed @ yellow cover
Various blankets
~~1 Hoover portable vacuum cleaner~~

KITCHEN

Stainless steel cabinets, compartments

1 Sears electric range, four burner
1 Sears oven
2 fire extinguishers
1 handsaw
1 flashlight.

The length of the car contains an olive colored rug except for the kitchen floor which is made up of tile.

Inventory taken by Michael Loch and Fred Goodwin.

Michael Loch